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TWENTY-NINTH ANNUAL REPORT

of the

INDUSTRIAL ACCIDENT BOARD

For The Twelve Months Ending

June 30, 1944

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ADMINISTRATION OF WORKMEN'S COMPENSATION ACT

. . . .

MEMBERS OF THE BOARD

J. BURKE CLEMENTS, Chairman   JOHN J. HOLMES, State Auditor

ALBERT H. KRUSE, Commissioner
of Agriculture and Labor

. . . .

WORKMEN'S COMPENSATION ACT
SAFETY INSPECTION LAWS
STATIONARY ENGINEERS' LICENSE LAWS
QUARTZ MINE INSPECTION LAWS
COAL MINE INSPECTION LAWS
BOILER INSPECTION LAWS

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LETTER OF TRANSMITTAL

October 1st, 1944

To His Excellency Sam C. Ford
Governor of the State of Montana
Helena, Montana.

Dear Governor Ford:

Pursuant to the requirement of the Workmen's Compensation Act of Montana, we have the honor to transmit herewith our Twenty-Ninth Annual Report covering the administration of the Workmen's Compensation Act by the Industrial Accident Board for the twelve months period ending June 30th, 1944.

Our financial report this year carries the actual liability of the Industrial Accident Fund in death cases, for future payments, in amount of $727,914.51. We have carefully estimated our liability for permanent partial and permanent total cases to be $567,803.33, making a total future liability on June 30th, 1944 of $1,295,717.84. You will thus readily see that the Industrial Accident Fund has a net reserve of $673,057.57, which we believe to be ample to take care of any possible disaster, such as the Bearcreek disaster or any extraordinary increase in accidental injuries, either causing deaths or total disabilities.

In our last annual report we called particular attention to the Bearcreek disaster which carried with it a financial obligation of approximately $440,000.00. At the time of our report we had paid of this particular obligation a sufficient amount to reduce the total obligation on this disaster to $391,250.31. There is now outstanding as an obligation to widows and children of those killed in the Bearcreek disaster a total sum of $294,910.00. Most of our payments to the widows and children of those killed in the Bearcreek disaster has been made on the monthly basis, as provided by law, and is so continuing. We have, however, made some partial lump sum settlements to those requesting it where we have felt that a partial lump sum settlement would be more advantageous to the beneficiaries than would the monthly payments.

We consider the financial affairs of the Industrial Accident Board to be in excellent condition. We made one re-adjustment of premium rates in April of 1944, which was to the distinct advantage of the employers and another one will be made during the month of November to become effective on January 1st, 1945.

Respectfully submitted,

INDUSTRIAL ACCIDENT BOARD

J. Burke Clements
Chairman

Albert H. Kruse
Commissioner

Commissioner

INDUSTRIAL ACCIDENT FUND --- FINANCIAL STATEMENT

June 30, 1944

ASSETS:

Cash Funds		
Industrial Accident Fund	189,065.83	
Industrial Reserve Fund	39,675.70	
	228,741.53	
Less Outstanding Warrants	28,010.09	
Total Cash in Treasury		200,731.44
Accident Fund Investments	539,693.18	
Reserve Fund Investments	1,226,835.82	
Registered Warrants	1,514.97	
Total Investments		1,768,043.97
Total Cash and Invested Funds		1,968,775.41

LIABILITIES

Premium Income	17,190,096.01	
Recoveries from Judgments	50,095.11	
	17,240,191.12	
Less Compensation Paid	16,041,058.05	
Net Premium Income		1,199,133.07
Initial Deposits		148,895.50
Special Deposits		7,135.84
Interest Earned		613,606.00
Total Income		1,968,775.41
Future fixed liability due to claims in death cases	727,914.51	
Estimated future liability of claims for permanent partial and permanent total disabilities	567,803.33	
Total future compensation payments fixed and estimated as of June 30, 1944		1,295,717.84
Surplus in Industrial Reserve Fund for any contingency		673,057.57

STATISTICAL STATEMENT FOR YEAR ENDING JUNE 30, 1944

	PLAN I	PLAN II	PLAN III	ALL PLANS
Number Employers Under Act June 30, 1944	44	1,280	3,789	5,113
Number Fatal Accidents Year Ending June 30, 1944	36	17	44	97
Number Permanent Total Accidents Year Ending June 30, 1944	4	0	4	8
Number Permanent Partial Accidents Year Ending June 30, 1944	130	67	185	382
Number Temporary Total Accidents Year Ending June 30, 1944	1,650	3,074	5,916	10,640
Total Number Accidents	1,820	3,158	6,149	11,127
Number Accidents No Compensation Paid	525	2,539	4,776	7,840
Disbursed for Funeral Expenses	7,528.50	4,250.00	8,472.46	20,250.96
Disbursed for Medical Expenses	7,618.33	56,785.04	126,561.71	190,965.08
Disbursed for Hospital Expenses	5,279.64	18,189.07	45,487.75	68,956.46
Disbursed for Fatal Accidents	131,800.46	29,669.89	184,286.01	345,756.36
Disbursed for Permanent Total Disability	11,601.28	220.00	26,355.66	38,176.94
Disbursed for Permanent Partial Disability	171,403.14	89,456.03	403,717.32	664,576.49
Disbursed for Temporary Total Disability	288,612.10	96,420.19	227,460.19	612,492.48
Disbursed for Temporary Partial Disability			2,093.82	2,093.82
Disbursed for Hearings, Proceedings, and Medical Examinations			12,768.65	12,768.65
Total Compensation Paid	623,843.45	294,990.22	1,037,203.57	1,956,037.22

STATISTICAL STATEMENT FOR TWENTY-NINTH YEAR PERIOD ENDING JUNE 30, 1944

	PLAN I	PLAN II	PLAN III	ALL PLANS
Number Fatal Accidents	1,510	275	902	2,687
Number Permanent Total Accidents	109	27	100	236
Number Permanent Partial Accidents	2,156	695	2,828	5,679
Number Temporary Total Accidents	68,206	54,816	105,424	228,446
Total Number Accidents Reported	71,981	55,813	109,254	237,048
Number Accidents No Compensation Paid	40,746	44,278	77,304	162,328
Disbursed for Funeral Expenses	151,123.92	24,811.79	123,029.96	298,965.67
Disbursed for Medical Expenses	120,429.09	986,556.01	2,458,101.61	3,565,086.71
Disbursed for Hospital Expenses	48,260.45	221,979.71	869,026.61	1,139,266.77
Disbursed for Fatal Accidents	3,737,202.82	658,200.84	2,527,008.80	6,922,412.46
Disbursed for Permanent Total Disability	306,154.98	92,219.06	506,467.88	904,841.92
Disbursed for Permanent Partial Disability	1,961,806.99	431,408.82	4,976,827.10	7,370,042.41
Disbursed for Temporary Total Disability	6,822,986.53	1,736,367.31	4,382,584.74	12,941,938.58
Disbursed for Temporary Partial Disability			42,098.80	42,098.80
Disbursed for Hearings, Proceedings, and Medical Examinations			154,572.61	154,572.61
Total Compensation Paid	13,147,964.78	4,151,543.54	16,039,718.11	33,339,226.43

PREMIUM INCOME FOR EACH FISCAL YEAR

1930-1944

June 30, 1930	465,102.56
June 30, 1931	370,750.72
June 30, 1932	328,498.80
June 30, 1933	336,662.81
June 30, 1934	512,292.02
June 30, 1935	920,485.30
June 30, 1936	1,005,779.17
June 30, 1937	1,206,931.11
June 30, 1938	1,258,643.67
June 30, 1939	1,082,587.32
June 30, 1940	1,241,569.01
June 30, 1941	1,265,072.17
June 30, 1942	1,410,694.61
June 30, 1943	1,499,757.23
June 30, 1944	1,576,705.31

COAL MINE INSPECTOR'S REPORT

In compliance with the provisions of the State Mining Laws I herewith present my report as State Coal Mine Inspector for the fiscal year ending June 30, 1944.

GENERAL CONDITION OF THE INDUSTRY

There is an increase of half a million tons in the output as a result of the mines operating, most of them, six (6) days each week.

There is a decrease in the number of men employed compared with the previous year, and at all the large mines the management complains of a shortage of men. Due to the shortage there have been some complaints in regard to maintenance work not being given the attention that it receives in normal times, but, on the whole, allowance is made on account of the national emergency and the man-power shortage by the miners' local union officials.

Many of the wagon mines are idle on account of the shortage of experienced miners, many of whom have been drafted into the armed services.

There were six (6) fatal accidents, five (5) of them being due to falls of roof at the working faces. Four of them would have been avoided if the victims had examined the roof before commencing to work.

DATA OF THE INDUSTRY

Tons of coal produced	4,920,403
Estimated value of the coal at the mines	$8,825,665.00
Number of men employed	1,368
Average number of days worked	292
Number of lives lost	6
Amount of black powder used	1,502,150 lbs.
Amount of dynamite used	1,162,852 lbs.
Permissible powder used	148,027 lbs.
Estimated tonnage mined and loaded by machines	96%

FIRST AID AND MINE RESCUE TRAINING

Classes have been held in the various mining communities by U.S. Bureau of Mines instructors in the above mentioned subjects.

As a result there are Mine Rescue teams at most of the larger mines in the state. They were thoroughly trained and they maintain their interest in the work. The same can be said of the First Aid classes.

MINE INSPECTIONS

The Federal Coal Mine Inspectors periodically inspect the chief mines in the state and we receive their reports. Full cooperation is given to the Federal Inspectors and some of their most important recommendations have already been put into effect.

Respectfully submitted,

Edward Davies
State Coal Mine Inspector

QUARTZ MINE INSPECTOR'S REPORT

In submitting my annual report for the fiscal year just ended, will say all the principal mines in the territory assigned were inspected with regard to safety conditions.

That the mines are being operated with safety as a major feature is manifest by the accident rate. One fatality occurred as the direct result of an accident. This was caused by a fall of ground. During the year labor shortage has been most acute in all lines, and inexperienced workers underground have as a natural consequence called for more safety supervision of those in charge.

Recommendations for the betterment of safety conditions at the mines included the removal of buildings from tunnel portals, raises for ventilation, guard rails, safety exits, additional timbering, etc. These suggestions were promptly put into effect.

Two new mining operations are getting underway which promise to continue for an indefinite period. One is on the Corundum deposit about fifteen miles south of Bozeman. The second is the International Minerals & Chemicals Corporation's phosphate plant near Hall where it is proposed to step up treatment to 2,000 tons daily. This will make it one of the major operations of the state.

Haulage by Diesel trucks underground was introduced for the first time in Montana this year. Two railroad tunnels, one at Belton and one at Bozeman, are using Diesel trucks for haulage. The trend toward this method of haulage promises to be greater in the future so your inspector wishes to call attention to these facts.

Under the best obtainable conditions the use of Diesel engines underground is generally recognized as hazardous on account of the nitrogen gases liberated.

Some states that have been confronted with this problem require among others, equipment for dilution of exhaust gas, washers for the exhaust gas, definite minimum amount of air per horse power for ventilation, also frequent inspection of equipment, air analysis, etc. Regulations should be established to govern the use of Diesel equipment underground so that a repetition of bad conditions, such as has been the case of the Bozeman tunnel, could not occur.

Respectfully submitted,

Ben Henry
State Quartz Mine Inspector

QUARTZ MINE INSPECTOR'S REPORT

The following is a report of the safety conditions in the metal mines of the district in this state to which I am assigned, for the year ending June 30, 1944:

I inspected all the mines and found that with few exceptions safety conditions in the mines are being given proper attention. Where carelessness is in evidence, operators and men alike are very willing to correct it, when brought to their attention.

Ventilation, the problem in the large and deeper mines, is being dealt with in a successful manner by the installation of cooler fans, which purify the air and reduce the temperature so that working conditions in those places are good.

Accidents in mines are always likely to happen, but one type could be reduced, that is, accidents due to falling ground, from which comes the largest percentage, by the cooperation of the boss and the miner taking a little more time in talking over the conditions of the ground they are working on.

I hereby submit a list of fatal accidents for the year ending June 30, 1944.

Fall of ground	11
Gob run	3
Caught by motor	1
Caught by mine car	3
Fall in chute	1
Bad air	1
Breaking of chute	1
Smelters	2
Premature blast in Brittania Mine	2
Total	25

Respectfully submitted,

Dennis Murphy
State Quartz Mine Inspector

SAFETY INSPECTION DEPARTMENT

The work of making safety inspections of places of employment in hazardous occupations, including metal mines, coal mines and boilers, has been carried on during the fiscal year by the following persons:

Boiler Inspectors:	C. A. Johnson Pat Whalen John Gilbert
Safety Inspector:	Jess Rawls
Quartz Mine Inspectors:	Ben Henry Dennis Murphy
Coal Mine Inspector:	Edward Davies

The following table shows the result of the inspectors' work and the fees collected for inspections:

WORK OF SAFETY BUREAU FOR YEAR 1943-1944
(Fiscal Year July 1,1943 to June 30,1944)

Inspectors:	Months Worked	Licenses Issued	Boilers Inspected	Safety Inspections	Cash Collected
C. A. Johnson	12	360	1,261	0	8,733.00
Pat Whalen	10	330	983	0	6,800.00
John Gilbert	2	56	185	0	1,277.50
Edward Davies	12	0	0	49	339.95
Ben Henry	12	0	0	48	392.00
Dennis Murphy	12	0	0	17	1,829.10
Jess Rawls	12	0	0	1,802	9,521.70
Office	12	2,377	0	0	2,813.50
TOTALS		3,123	2,429	1,916	31,706.75